

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554

In the Matter of )

Defining Primary Lines )

DOCKET FILE COPY ORIGINAL

CC Docket No. 97-181

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MAY 5 1999

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

**PETITION FOR RECONSIDERATION**  
**OF ACUTA**

The Association for Telecommunications Professionals in Higher Education (ACUTA) hereby files a Petition for Reconsideration of the Report and Order issued by the Commission in the above-captioned docket.<sup>1</sup> ACUTA is a non-profit 501(c)(3) association, with membership including 800 colleges and universities located primarily throughout the United States. For the reasons set forth below, ACUTA requests that the agency reconsider the portion of its Report and Order applying a location-based definition of primary lines to college and university dorm rooms.

The *Defining Primary Lines Report and Order* modified the Commission's access charge rules to adopt a location-based rule for identifying the status of a line as either primary or non-primary, which directly relates to the assessment of access charges. Specifically, the newly added Section 69.152(h) provides that "[o]nly one of the residential subscriber lines a price cap LEC provides to a *location* shall be deemed to be a primary residential line."<sup>2</sup> In describing the application of its rule, the Commission explained that, "[f]or example, only one line per house,

<sup>1</sup> Report and Order, CC Docket No. 97-181, FCC 98-28 (rel. Mar. 10, 1999) ("Order").

<sup>2</sup> See 47 C.F.R. § 69.152(h) (emphasis added).

per apartment, or per *college dorm room* will receive primary line rates.”<sup>3</sup> As applied to universities and colleges, this rule would place an unfair burden on institutions and their students, significantly increasing universities’ telecommunications costs and creating a situation in which residential students who do not have a choice as to their living arrangements likely would be burdened with additional costs.

Section 69.152(h) would adversely affect hundreds of thousands of college students in a number of states. This rule applies to universities in which telephone lines to student housing are obtained directly from a price cap LEC. Generally, these lines are obtained through Centrex service contracted for by the university. In a substantial number of states, including California, New York, Ohio and Rhode Island (and perhaps also in other states), many of these lines are classified as residential service. Prior to the adoption of Section 69.152(h), LECs have interpreted the PICC/SLC rules to mean that each separate student residential Centrex line was a separate primary line. Under this new rule, LECs clearly must change their interpretation to classify only one line per dorm room as primary. Thus, many educational institutions and hundreds of thousands of students will be harmed by this ruling, as their telecommunications costs will increase.

As an initial matter, the Commission’s application of its location-based rule to college dorm rooms does not adequately consider the fundamental differences between these and other subscriber locations, such as single unit dwellings and apartment units. Virtually all university housing facilities offered to students require that they live in a particular unit with one or more other individuals with whom they are unrelated. Indeed, in many instances these unrelated

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<sup>3</sup> Order at ¶ 15 (emphasis added).

individuals are required to live in housing assigned to them by the college. This situation is very different from a household in which related or unrelated individuals make a mutual decision to live together in one home or apartment and to acquire telecommunications services.

ACUTA members with such residential students generally provide telephone lines in student housing. In a survey conducted by ACUTA in 1997, 25% of colleges responding provided one line per student resident, which equates to at least two lines per dorm room. This number is rapidly growing, as students are increasingly being given individual telephone lines to meet their communications needs. In a college that provides more than one telephone line per student, there is no practical or equitable method of determining which line should be considered "primary," and therefore subject to reduced SLC and PICC charges, and which should be considered a non-primary line.

In addition, the Commission's rule will impose substantial additional costs for colleges and universities with residential Centrex service as highlighted in the following table. If the Commission accepts ACUTA's recommendation, it would return the annual SLC and PICC costs to their current levels.

<b>Number of Student Lines</b>	<b>Current Annual SLC Cost*</b>	<b>Increase in Annual SLC Cost under Section 69.152(h)*</b>	<b>Total Annual SLC Cost under Section 69.152(h)*</b>
6,000	\$252,000	\$92,520	\$344,520
10,000	\$420,000	\$154,200	\$574,200
15,000	\$630,000	\$231,300	\$861,300
	<b>Current Annual PICC Cost**</b>	<b>Increase in Annual PICC Cost under Section 69.152(h)**</b>	<b>Total Annual PICC Cost under Section 69.152(h)**</b>
6,000	\$38,160	\$34,920	\$73,080
10,000	\$63,600	\$58,200	\$121,800
15,000	\$95,400	\$87,300	\$182,700
	<b>Total Current Annual SLC and PICC Costs</b>	<b>Total Increase in Annual SLC and PICC Costs under Section 69.152(h)</b>	<b>Total Annual SLC and PICC Costs under Section 69.152(h)</b>
6,000	\$290,160	\$127,440	\$417,600
10,000	\$483,600	\$212,400	\$696,000
15,000	\$725,400	\$318,600	\$1,044,000

\* SLC calculated at the current cap of \$3.50 per line for primary residential lines and \$6.07 per line for non-primary residential lines. Current annual SLC cost is based on the number of lines multiplied by the current SLC cap of \$3.50 per line. The annual SLC cost under Section 69.152(h) is based on the re-classification of one line per dormitory room (50% of lines) to a non-primary line at \$6.07 per line.

\*\* PICC calculated at current cap of \$.053 for primary residential lines and \$1.50 for non-primary residential lines. The annual PICC cost under Section 69.152(h) is based on the re-classification of one line per dormitory room (50% of lines) to a non-primary line at \$1.50 per line.

In turn, students residing in a dormitory room or suite will be unfairly penalized in one of several ways by the Commission's new rule given that there is no rational or equitable way to allocate these increased costs. First, as an institution will not have a reasonable way to determine which of the lines in a room or suite should be considered "primary," (if the university is

responsible for paying the entire bill for all residential Centrex lines) it will be required to calculate the entire increased cost and distribute it among all students receiving service. In this case, all such students would be penalized and none would receive the benefit of a primary line rate. Second, if local telephone service is not billed directly to students, but is factored into the overall housing cost (as is the case at many universities), the housing cost for all students in the university likely will have to be increased to accommodate the increased cost of bills from the LEC. Again, all students would be penalized -- including those who may choose not to have an individual telephone line.

Third, if students receive their bills directly from the LEC, there is no equitable or accurate way of determining which of the lines in a particular room or suite should be considered primary. A “first come first served” approach would not work because the majority of students begin and end their residence in a dormitory at the same time. Accounts are canceled at the end of the school year and initiated again at the beginning of the next year because the residents of a particular room generally change each year (or sometimes each semester). As such, this new rule will create a confusing and unfair situation for students.

Lastly, the Commission’s new rule will impose significant administrative burdens on both LECs and universities. For example, the Commission’s suggestion that “sorting records by service location should be relatively easy” is not necessarily the case in a university setting.<sup>4</sup> This is true because LECs who present a single bill to the university for all residential Centrex lines may not have information as to which lines are assigned to which rooms, and in this case, it would be virtually impossible for them to accurately determine which lines should be considered

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<sup>4</sup> See Order at ¶ 15.

primary. For this reason, LECs in these situations have been considering all student residential Centrex lines as primary lines, thereby reducing their revenue somewhat, but greatly reducing their administrative burden. Under Section 69.152(h), LECs now have no choice but to change their previous interpretation. They must now make a determination as to primary and non-primary lines, as they are required by this new rule to do so. As such, the rule as applied to colleges and universities will be far from the “administratively simple” rule intended by the Commission.<sup>5</sup>

On the other hand, ACUTA’s approach to defining primary lines in the context of college and university dorms does not implicate the Commission’s expressed concerns against adopting an account-based definition. For example, the Commission noted that an account-based definition would permit subscribers in a single household to abuse or circumvent the intent of the primary line rule by having multiple accounts under different names.<sup>6</sup> The housing arrangements in college dormitories are not conducive to this type of abuse because otherwise unrelated students are assigned by a university to reside for the length of the school term in the same dormitory room and it is likely that the institution, not the student, orders telephone lines on the student’s behalf. Similarly, the agency’s concern regarding subscriber privacy in an account-based definition does not apply to a student housing environment.<sup>7</sup> In student housing, LECs may accurately assume that all residents of a location are unrelated individuals who are assigned

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<sup>5</sup> See Order at ¶ 15.

<sup>6</sup> See Order at ¶ 22.

<sup>7</sup> See Order at ¶¶ 15-17.

to their housing location by the university staff; no further investigation of their relationship or housing situation is necessary.

\* \* \*

ACUTA thus respectfully submits that Section 69.152(h) creates an inequitable, costly, and administratively burdensome situation when applied to university student housing. In situations where two or more students reside in a college dormitory room or suite, there is no equitable or accurate means of determining which of their telephone lines should be considered primary. The new rule would create a circumstance in which all students likely would bear the increased SLC and PICC costs due to the administrative burden and lack of a rational method for universities or LECs to determine which line in a particular room or suite should be treated as primary. Therefore, the Commission should amend Section 69.152(h) to specify that the definition of primary lines in student housing provides for one primary line per student.

Respectfully submitted,

The Association for Telecommunications  
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